

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301  
Indianapolis, IN 46204  
(317) 233-0696  
<http://www.in.gov/legislative>

**FISCAL IMPACT STATEMENT**

**LS 7307**

**BILL NUMBER:** HB 1340

**NOTE PREPARED:** Feb 3, 2004

**BILL AMENDED:** Feb 2, 2004

**SUBJECT:** School capital improvement partnership.

**FIRST AUTHOR:** Rep. Porter

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** (Amended) This bill establishes a School Capital Improvement Partnership Board in Marion County to construct or improve school buildings and facilities.

**Effective Date:** July 1, 2004.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) This bill creates the School Capital Improvement Partnership Board for counties containing a consolidate city. The Board may design, finance, construct, and equip a school capital project. The Board would be made up of 15 members, one appointed by each school corporation, 2 by the mayor, and 2 by then majority leader of the legislative body of the county. Members of the Board are not eligible for per diem or traveling expenses. The initial meeting of the Board shall not be held later than September 15, 2004.

The Board may do the following:

1. Design, construct, reconstruct, repair, remodels, enlarge, extend, or add to any school improvement presented to the Board.
2. Receive excise taxes, income taxes, sales taxes and property taxes and expend money for operating expenses, payments of principal or interest on bonds or notes, and all or part of a school capital improvement.
3. Accept gifts or contributions from individuals, corporations, and others; accept funds loans, or advances necessary from the United States, state, any political subdivision.

4. Retain the services of architects, engineers, accountants, attorneys, and consultants and hire employees.
5. Make and enter into contract and agreements necessary to the performance of the Board's duties.
6. Sue and be sued.
7. Prepare and publish materials and literature relating to any school capital improvement.
8. Enter into leases of school capital improvements.
9. Exercise any other power granted to a school corporation in the county in conjunction with the design, financing, construction, repair, remodeling, renovation, or enlargement of a school capital improvement.
10. Make recommendations concerning alternative methods of funding school capital improvements.

A school corporation can submit a capital improvement to the Board. The school has to provide:

1. An analysis of the needs to be met by the project.
2. A detailed description of the proposed project.
3. The school formal recommendation on the project.
4. A statement of the projected construction and design costs of the project.

A school capital improvement may be financed in whole or part by the issuance of bonds payable solely from money in the school capital improvement fund or any other funds available. Bonds issued under this chapter are not subject to the petition and remonstrance process.

The operating costs of the Board are unknown and would depend on the number of employees hired and the number of school improvement projects undertaken. The initial expenditures would be small but would grow as more projects were approved. As a reference point, the debt service levies for Marion county schools was about \$98.7 M for CY 2003.

**Explanation of Local Revenues:** (Revised) The School Capital Improvement Partnership Board is authorized to receive revenue from designed resources. The bill does not designed a source of revenue to repay possible bond issues by the board.

**State Agencies Affected:**

**Local Agencies Affected:** School Capital Improvement Partnership Board, Marion County School Corporations.

**Information Sources:**

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825.